

LAW OFFICES
MILES & STOCKBRIDGE

A PROFESSIONAL CORPORATION
10 LIGHT STREET

BALTIMORE, MARYLAND 21202-1487

TELEPHONE 410-727-6464

FAX 410-385-3700

300 ACADEMY STREET
CAMBRIDGE, MD 21613-1865

101 BAY STREET
EASTON, MD 21601-2718

11350 RANDOM HILLS ROAD
FAIRFAX, VA 22030-7429

30 WEST PATRICK STREET
FREDERICK, MD 21701-6903

22 WEST JEFFERSON STREET
ROCKVILLE, MD 20850-4286

600 WASHINGTON AVENUE
TOWSON, MD 21204-3965

1450 G STREET, N.W.
WASHINGTON, D.C. 20005-2001

JOHN A. STALFORT
410-385-3424

March 16, 1995

via FEDERAL EXPRESS

Interstate Commerce Commission
12th and Constitution Avenues, N.W.
Washington, D.C. 20423
Attention: Mrs. Janice Fort

RECORDATION NO. 18726-13
FILED 1/25
MAR 17 1995 - 11 00 AM
INTERSTATE COMMERCE COMMISSION

Re: Our File No.: 258-1402

Dear Mrs. Fort:

Enclosed for recordation as a secondary document pursuant to the provisions of 49 U.S.C. §11303 are one original and one notarized copy of the following document:

Schedule Number 2 dated April 29, 1994 between Southern Rail Leasing, Inc. (2533 North Carson Street, Carson City, Nevada 89706) and The Kansas City Southern Railway Company (114 West 11th Street, Kansas City, Missouri 64105) which relates to Railroad Car Lease dated September 9, 1993 by and between Southern Rail Leasing (2533 North Carson Street, Carson City, Nevada 89706) and The Kansas City Southern Railway Company (114 West 11th Street, Kansas City, Missouri 64105) which was recorded with the Interstate Commerce Commission on March 3, 1994 at 2:50 p.m., under Recordation No. 18726

Once this document has been recorded, please return the same to: John A. Stalfort, Esquire, Miles & Stockbridge, A Professional Corporation, 10 Light Street, 9th Floor, Baltimore, Maryland 21202.

Thank you for your prompt attention to this matter. If you have any question, please call me at (410) 385-3425.

Sincerely,

Michele E. Sperato

Michele E. Sperato,
Secretary to John A. Stalfort

Enclosures



Interstate Commerce Commission
Washington, D.C. 20423-0001

3/17/95

Office Of The Secretary

John A. Stalfort, Esquire
Miles & Stockbridge
10 Light Street
Baltimore, Maryland 21202-1487

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/17/95 at 11:00AM, and assigned recordation number(s). 18726-B.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

(0100845018)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

RECORDATION NO. 18726-B FILED 1425

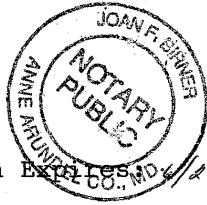
MAR 17 1995 - 11 00 AM

MIDDLEBURY COLLEGE COMMERCIAL

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, TO WIT:

I HEREBY CERTIFY that the attached Schedule Number 2 is a true and complete copy of said Schedule Number 2.

WITNESS my hand and seal this 16th day of March, 1995.



Joan F. Bismar
Notary Public

My Commission Expires 12/21/97

MAR 17 1995 - 11 00 AM

UNITED STATES DEPARTMENT OF COMMERCE COMMISSION

Schedule Number 2

This Schedule Number 2 ("Schedule") to that certain Lease Agreement, ("Agreement") of September 9, 1993 between Southern Rail Leasing, Inc. as lessor ("Lessor") and The Kansas City Southern Railway Company, as lessee ("Lessee") is made as of this 29th day of April, 1994 between Lessor and Lessee.

Lessee and Lessor agree as follows:

1. All terms of the Agreement shall have the meanings defined therein when used in this Schedule except that the term "Cars" shall refer only to the equipment described in this Schedule.
2. Lessor hereby leases the following Cars to Lessee:

86 Cars, Steel floor and body gondolas, 100 Ton roller bearing trucks, at least 52'5" interior length. 25 cars have end of car cushioning devices and 4' sides; 61 cars have rigid frames and 4'6" sides

Car numbers are as follows: 899050 *et seq.*

Cars to be drawn from the current C&O/B&O series 360000 (rigid frame) and WM 58000 (cushioned cars) series as set forth in the attached exhibit A, attached hereto and incorporated herein by reference.
3. The term of the lease shall be deemed to have commenced on either the 120th day after the delivery of the first Car or the day of delivery of the last Car after completion of the remedial work specified in Paragraph 6 of this addendum, whichever date shall first occur ("Lease Commencement Date"). The lease shall continue as to all of the Cars described in this schedule through the last day of the 84th month following such commencement date. Lessor will notify Lessee of completion of reconditioning work with respect to Cars and their availability for inspection and delivery. Lessee will inspect any Car within a reasonable time, not to exceed seven days, from such date of notification by Lessor. Lessee shall then promptly accept all Cars meeting the reconditioning specifications set forth in Paragraph 7. Any Car not then meeting such reconditioning specifications shall remain at the repair facility for completion of the required work. The delivery date with respect to each Car shall be the date that Lessee inspects and accepts the Car at the repair facility (see paragraph 7).
4. The date for commencement of payment of rent with respect to each Car ("Rental Commencement Date") shall be the date of delivery. The rental shall be a fixed amount of _____ per month per Car from the Rental Commencement Date through and including the Expiration Date, subject to provisions of the lease relating to holdover. Rent shall be paid on the first of each month, in advance. Any rent attributable to the period between delivery of a Car and the first of the month shall be pro-rated and paid with the first payment due with respect to such Car.
5. Other than the reconditioning provided for in Paragraph 7, Lessee shall have the maintenance and repair obligation with respect to the Cars leased pursuant to this Schedule.

6. The Cars shall be used as general purpose gondola Cars and shall be delivered for such purpose. The obligation of Lessee for the condition of the Cars upon their return to Lessor shall reflect the demands of such service and the nature and amount of reconditioning work performed by Lessor on the Cars (as provided in Paragraph 7, below). The Cars shall be in interchangeable condition when returned to Lessor upon termination of the lease. The condition of the Car body shall be comparable to the condition of such Cars upon delivery to Lessee at the commencement of the term herein, as set forth in Paragraph 7, below, normal wear and tear excepted.

Notwithstanding the foregoing, Lessee may use the Cars for any alternative use it determines. Notwithstanding any provision in the Agreement to the contrary, the Cars may be interchanged to any location in North America, including Canada and Mexico without further consent of Lessee.

7. Lessee has heretofore inspected the series of cars from which the actual Cars are to be delivered. Lessor shall perform the following reconditioning work on the cars so that they are suitable for use as general purpose gondola Cars:
- A. Car body end chords, end sheets and corners to be straightened and repaired. Ends to be straightened to within 2" of original specifications.
 - B. Cuts and holes to side sheets to be repaired. All cars shall receive new 3/8" steel plate floors.
 - C. Safety appliances and running gear shall meet interchange requirements.
 - D. Cars shall be painted and restenciled.

Lessee's obligation hereunder is contingent upon the satisfactory performance by Lessor of the above reconditioning work.

8. The Cars shall be delivered to Lessee, F.O.B., Lessor's repair facility or facilities.

Upon termination of this lease with respect to any Car (or upon expiration of the storage period described in Paragraph 14 C of the Lease, Lessee shall transport such Cars to any interchange point of Lessee's lines specified by Lessor in accordance with the terms of the Agreement.

9. The Record Keeper designated in Paragraph 7 is Lessee.
10. Paragraphs 11 (A) and (B) of the Agreement shall be subject to a schedule of casualty values as set forth in Exhibit B.
11. Notwithstanding Paragraph 12 (C) of the Agreement, with respect to the equipment described on this schedule, the Cars may be stenciled with Lessee's reporting marks prior to movement to Lessee for delivery. If done, this will be performed at Lessor's expense.
12. Except as expressly modified by this Schedule, with respect to these Cars, all terms and conditions of the Agreement shall remain in full force and effect.

RECORDATION NO. _____ FILED 1425

MAR 17 1995 11 00 AM

INDIAN STATE COMMERCE COMMISSION

Each party, pursuant to due corporate authority, has caused this Schedule to be executed by its authorized officer or other employee, and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below, that the execution of this Schedule was the free act and deed of the Corporation, the foregoing is true and correct and that this Schedule was executed on the date indicated.

Southern Rail Leasing, Inc., Marketing

By:

John C. Chambers
Date: 5/13/94

The Kansas City Southern Railway Company

By:

Robert L. Brant
Title: SR VP - Finance
Date: 5/6/94

Countersignature

Southern Rail Leasing, Inc., Lessor

By:

[Signature]
Title: Vice President
Date: 5-9-94

Exhibit A

B&O	362522	C&O	365032	WM	58003
B&O	366162	C&O	365036	WM	58019
B&O	366690	C&O	365063	WM	58020
B&O	366737	C&O	365064	WM	58021
B&O	366885	C&O	365073	WM	58036
B&O	366905	C&O	365137	WM	58043
B&O	367102	C&O	365190	WM	58047
B&O	368014	C&O	365216	WM	58049
B&O	368018	C&O	365253	WM	58051
B&O	368068	C&O	365265	WM	58052
B&O	368075	C&O	365293	WM	58054
B&O	368198	C&O	365314	WM	58055
B&O	368243	C&O	365334	WM	58057
B&O	368243	C&O	365383	WM	58058
B&O	368252	C&O	365399	WM	58060
B&O	368270	C&O	365404	WM	58067
B&O	368274	C&O	365456	WM	58105
B&O	368304	C&O	365463	WM	58107
B&O	368307	C&O	365495	WM	58109
B&O	368326	C&O	365514	WM	58110
B&O	368360	C&O	365550	WM	58155
B&O	368385	C&O	365555	WM	58166
B&O	368386	C&O	365557	WM	58168
B&O	368389	C&O	365618	WM	58180
B&O	368399	C&O	365654	WM	58189
B&O	368447	C&O	365659		
		C&O	365727		
		C&O	365734		
		C&O	365764		
		C&O	365797		
		C&O	365802		
		C&O	365827		
		C&O	365891		
		C&O	365922		
		C&O	365925		
		C&O	365969		

Exhibit B

During the term of the lease, the stated casualty value of each Car shall be as follows:

per Car if destroyed during the prior to the end of the first year of the Lease;

per Car if destroyed after the first year of the Lease but prior to the end of the second year of the Lease;

per Car if destroyed after the second year of the Lease but prior to the end of the third year of the Lease;

per Car if destroyed after the third year of the Lease but prior to the end of the fourth year of the Lease;

per Car if destroyed after the fourth year of the Lease but prior to the end of the fifth year of the Lease;

per Car if destroyed after the fifth year of the Lease but prior to the end of the sixth year of the Lease;

per Car if destroyed after the sixth year of the Lease.